## Karen Schrock President & CEO, Adult Well-Being Services March 25, 2014

Chairman Nesbitt. Vice Chairman Shirkey. Vice Chairman Stallworth. Members of the Committee.

I am honored to appear before you today.

Adult Well-Being Services is celebrating its 61<sup>st</sup> year of service delivery this year. We began as a senior center on the east side of Detroit and have expanded to serve adults of all ages with a special focus on seniors and people with disabilities. We currently serve over 18,000 people annually in 21 counties in Michigan. We provide health promotion, care transition programming, guardianship and conservatorship services, treatment for mental health and substance abuse, senior housing, services for people with developmental disabilities, long-term-care ombudsman services and elder-abuse prevention, while also serving as a health navigator and certified application counselor for the new health care act.

In addition to my role at Adult Well-Being Services, I also serve as the Chair of the Southeast Michigan Senior Regional Collaborative. The Collaborative is a network of more than 26 organizations dedicated to meeting the needs of senior citizens in Macomb, Oakland and Wayne counties. Our member organizations annually work with more than 150,000 senior citizens on matters involving safety and quality of life issues. Our focus is promoting senior citizens' ability to live in the community setting of their choice, maximizing their independence and dignity.

We know senior citizens and the issues that are important to them.

Affordable electricity, which I think everyone agrees, is not only a necessity for Michigan's economy but for everyday life -- is one of those issues.

We all know that Michigan experiences both climate extremes – periods of prolonged (especially this winter), record-setting cold and bursts of exceptionally hot, humid weather.

Both extremes lead to bad – sometimes tragic -- outcomes for Michigan's most vulnerable citizens.

Low-income families and households containing the medically frail, the very old or very young children are particularly vulnerable to unaffordable electricity rates.

Because electric rates are higher in deregulated states, further deregulating Michigan's electricity market will only make things worse for low-income senior citizens and other low-income households. For example, our Stapleton Senior Housing Center includes utilities as part of the rental payment; I can't say that we would be able to continue that policy in a deregulated environment. Similarly, many of the people we serve live in Adult Foster Care Homes, most of whom are already operating on slim or no margins. Small customers like us will not benefit from deregulation, nor will the individual residential customers in the community.

The Michigan Legislature has made great progress both in terms of augmenting energy assistance funding and making changes to ensure that the necessary help gets to residents in greatest need. This is not the time to take an action that will only increase the number of households needing assistance.

Worse, we all know that senior citizens find themselves targeted by all manner of scam artists and high-pressure sales techniques. We know that in other states, deceptive, aggressive, high-pressure sales tactics have been used by unethical energy marketers. Let's not consider rolling out the welcome mat to that kind of activity here.

Everyone needs affordable electricity. It is simply too important to our daily lives. We're opposed to any change that would lead to excessive rate increases or rate volatility. That's why we oppose HB 5184 and any other attempt to deregulate Michigan's electricity industry.

Thank you.